

PEOPLE

Million Mercedes

Mercedes-Benz had been... watched arms at London's... The son of a Soviet... who died in exile... The son of a Soviet... who died in exile...

MONDAY SPORTS PRICE LEADS BRITISH OPEN See Page 13

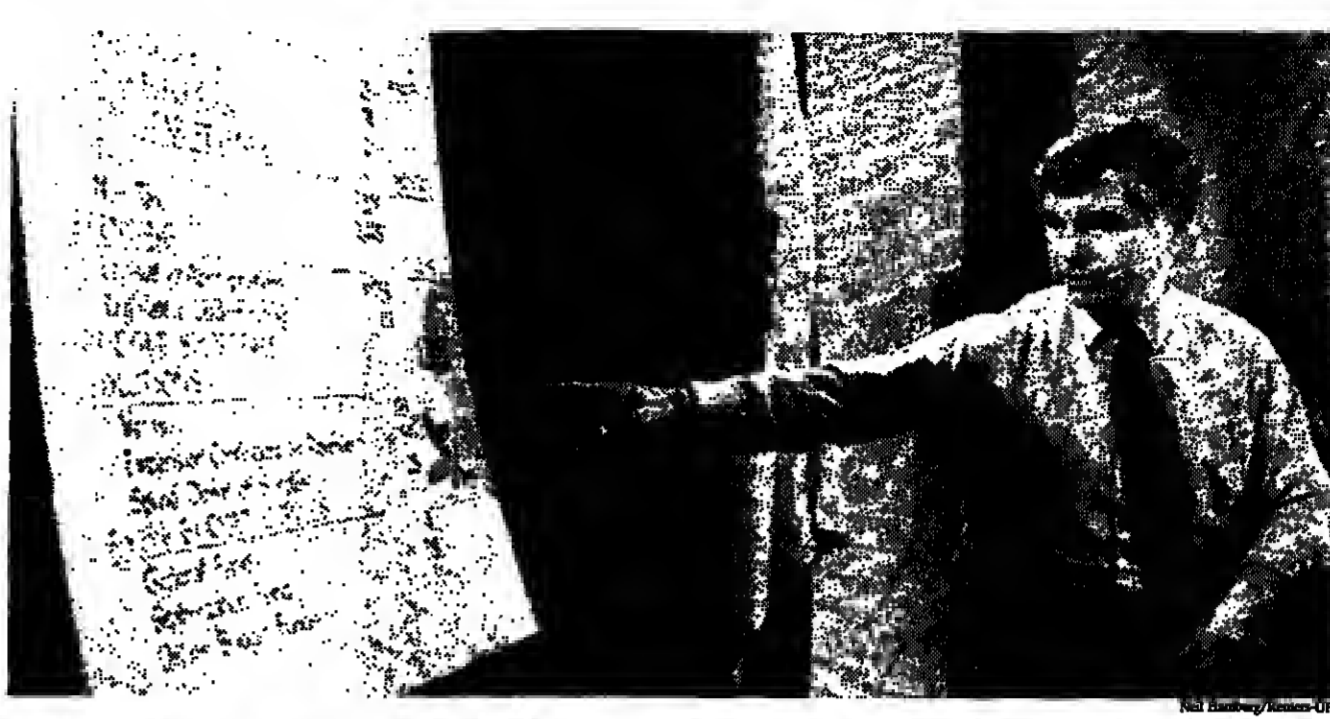
INTERNATIONAL Herald Tribune

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Table with exchange rates for various countries like Austria, Belgium, Canada, Cyprus, Denmark, Egypt, France, Germany, Greece, Hong Kong, India, Israel, Italy, Japan, Korea, Luxembourg, Malaysia, Mexico, Netherlands, Norway, Portugal, Saudi Arabia, Singapore, South Africa, Spain, Sweden, Switzerland, Taiwan, Thailand, Turkey, U.S.A., U.K., West Germany, Yugoslavia, and Zaire.

Soviets Warming Up to Japan In New Spirit of Conciliation

By Patrick Smith International Herald Tribune TOKYO — Two years after Mikhail S. Gorbachev outlined a potentially historic new policy in the Pacific region, Moscow is quietly seeking to advance ties with Japan significantly beyond the stalemate of the last three decades. In line with the Soviet leader's drive for a new look at old programs, momentum in Soviet-Japanese relations is likely to emerge within the next two years. It could dramatically alter existing diplomatic and security relationships. Mr. Gorbachev appears to have begun a comprehensive review of Soviet policy toward Japan in recent months, according to Japanese officials in Moscow. Apart from continuing the process of rapprochement with China, the Kremlin's highest foreign-policy priority now seems to be improving relations with Japan. But Moscow has made only modest political diplomatic progress elsewhere in Asia since Mr. Gorbachev delivered a major policy statement at Vladivostok in the Soviet Far East in July 1986. The Soviet leader's inability to improve relations with Japan has emerged as one of his most important diplomatic shortcomings. It will be virtually impossible for Mr. Gorbachev to fulfill the ambitions he set forth at Vladivostok to advance the Soviet Union as a Pacific power and to harness East Asia's economic dynamism without Japan's participation. In particular, Japanese technology, investment capital and bank credits are viewed as essential in the development of the Soviet Far East and to the broader Soviet effort to restructure its economy. "Gorbachev faces serious constraints, particularly with regards to the military," said Hiroshi Kimura, a professor at Hokkaido University and an authority on the Soviet Union. "But those who feel they must break the ice are gradually gaining influence." Moscow's refusal to recognize Japanese claims to four small islands in the Kuriles chain has blocked the developments of extensive political and economic links between the two nations. The Soviet Union occupied the islands at the end of World War II. But Soviet officials, Communist party representatives and scholars are using a variety of informal channels in sound out their Japanese counterparts as to how an effective diplomatic action toward



Michael Dukakis, top, in Boston on Sunday discussing the state budget, and Jesse Jackson during a CBS interview with Leslie Stahl.

Jackson Refuses To Yield

But He Sees Hope In Aides' Talks on Eve of Convention

By Fred Farris International Herald Tribune WASHINGTON — On the eve of the Democratic National Convention, Jesse L. Jackson made it clear Sunday that his differences with Governor Michael S. Dukakis had not been cleared up and that he remained a candidate for the presidential nomination and possibly the vice presidential nomination. But Mr. Jackson, the runner-up in the Democratic primaries, said that he expected talks between his aides and Mr. Dukakis's in resolving problems that could prevent a smooth convention. Mr. Dukakis, meanwhile, stressed that "you can't have two quarterbacks." Mr. Jackson said he wanted a clear and important role for himself and the "progressive" wing of the Democratic Party that he said he represents, both in the campaign and later. Among the unresolved issues are 13 planks in the proposed party platform that are being contested by the Jackson forces. The Massachusetts governor, who has the delegate support needed for nomination Wednesday night, said Sunday in Boston before flying to Atlanta that he had spoken to Mr. Jackson by telephone earlier in the day, but he declined to discuss the substance of the call. Senator Lloyd Bentsen of Texas, whom Mr. Dukakis has selected as his vice presidential running mate, also reportedly spoke with Mr. Jackson before he joined Mr. Dukakis on a flight to Atlanta. Mr. Dukakis sought to minimize the uncertainty surrounding Mr. Jackson, saying, "No Democratic convention would be a Democratic convention without a little controversy." He denied that he was upset by Mr. Jackson's reaction to his selection of Mr. Bentsen. "This is the stuff of politics," Mr. Dukakis said. Dukakis aides said Sunday that the governor supported the re-election of Paul G. Kirk Jr. as the party

Soviet Navy: Wanderlust Lost

By Michael R. Gordon New York Times Service WASHINGTON — The Soviet Union has cut back on overseas naval deployments and has stopped carrying out ambitious naval exercises far from Soviet territory, according to high U.S. and Soviet military officials. Marshal Sergei F. Akhromyev, the Soviet chief of staff, said at a Pentagon news conference last week that the cutback was an example of Moscow's new effort to develop a purely defensive military doctrine. High U.S. military leaders have suggested that the cutback primarily reflects budget concerns in Moscow, and does not necessarily mean an important change in military strategy. "There is no question that we have seen fewer forward naval deployments," said Admiral William Warsaw Pact leaders call for multilateral talks on the reduction of conventional arms. Page 5. J. Crowe Jr., chairman of the Joint Chiefs of Staff, who said that the change appeared to reflect Soviet cost-cutting efforts. Experts on the Soviet Navy have speculated that the changed pattern of deployments and naval exercises might also reflect a Soviet effort to project a more benign image in Western Europe and Asia. The decline in Soviet operations represents a reversal of a long trend. Soviet naval operations grew considerably from 1965 to 1984, the "peak" year, according to U.S. Navy figures. The designed wartime role of the Soviet Navy has been the largely defensive one of keeping U.S. warships from approaching Soviet territory and protecting the Soviet



Michael Dukakis, top, in Boston on Sunday discussing the state budget, and Jesse Jackson during a CBS interview with Leslie Stahl.

New Unity Makes Democrats Confident

By David S. Broder Washington Post Service ATLANTA — Chastened but confident, the Democratic Party has come here for its quadrennial convention this week determined to show that it has healed the crippling internal quarrels of the Reagan era and come to terms with its future. As the Democrats prepare to send Governor Michael S. Dukakis of Massachusetts on the quest for the White House, which they have won only once in the last five elections, party leaders with the notable exception of Jesse L. Jackson say they have put aside their factionalism, acknowledged the need for fiscal discipline and redefined their approach to military and domestic needs in hopes of victory in the Nov. 8 election. "I'm not sure I can explain it," Mr. Dukakis said last week. "But it's there. I sense it everywhere. There's a growing consensus." Mr. Dukakis signaled his desire for unity when he selected Senator Lloyd Bentsen of Texas as his running mate, reviving the Boston-Austin alliance that worked for the Democrats in 1960. But the foundation for such a consensus campaign has been building since 1984. Party unity has increased markedly among congressional Democrats since the first year of the Reagan administration, when the president could regularly count on defecting Democrats in help him enact his conservative programs. Now, Mr. Dukakis noted, Democratic governors have found their way to a common agenda emphasizing education and economic development. Many programs they have started rely on cooperation with business and a sharing of costs among government, the private sector and recipients of benefits. Still, there is a widespread recognition that the deepest division — over the shape and costs of the next stage of the welfare state — could flare into open warfare if Mr. Dukakis is elected. The risks have increased, many say, because Mr. Jackson has become the de facto leader of the party's left; this has added the explosive question of race to the issues of budget priorities that split the party in the Jimmy Carter-Edward M. Kennedy battle of 1980 and contributed to Ronald Reagan's victory. Governor Thomas H. Kean of New Jersey, who is scheduled to give the keynote speech at the Republican National Convention next month, said that the Democrats "can paper it over in the short run." But in the long run, he added, there is too wide a gap between the views of liberal Democrats like Mr. Jackson and of Southern moderate-conservatives like Senator Sam Nunn of Georgia and former Gov-

Kiosk 4 GIs Are Hurt In Honduras TECUGIGALPA, Honduras (AP) — Attacks hurled bombs and opened fire at U.S. soldiers leaving a discotheque early Sunday in the northern city of San Pedro Sula, and wounded four, an American Embassy spokesman said.

MONDAY Q&A The economist C. Fred Bergsten sees an urgent need for U.S. domestic demand to be slowed. Page 2. General News After protests, Pakistan halted delivery of most types of arms to Afghan rebels. Page 2. Business/Finance The Group of Seven nations is divided over the role of commodity prices in guiding economic decisions. Page 7. TO OUR READERS With today's editions, the International Herald Tribune is transferring its printing facility for North and Latin America to New York from Miami. The change will expedite the delivery of the newspaper, and, for many readers in key North American cities, bring them the later reports of the IHT's closing Paris edition. In announcing the opening of the new printing facility, Lee Hinebner, the newspaper's publisher, said the move takes advantage of "the frequent departures from LaGuardia and Kennedy airports to key North American cities. Our studies have also shown that we can fly copies to major markets in Latin America as effectively from New York as we were able to do from Miami." Same-day delivery now will be routinely available to internationally oriented cities such as New York, Washington, Boston, Chicago, San Francisco and Los Angeles, said Michael Conroy, president of the IHT's subsidiary in the United States.

U.S. Navy in the Gulf: An Open Commitment

By George C. Wilson Washington Post Service WASHINGTON — One year after it began escorting Kuwaiti tankers through the Gulf, the United States seems stuck with an open-ended commitment to protect the waterway without the kind of ships and aircraft the U.S. commander says he needs most to curb the tanker war. Since November 1985, General George B. Crist of the Marine Corps, as head of the U.S. Central Command, has had the mission of asserting the right of navigation in the Gulf and, more recently, protecting tankers flying a U.S. or friendly flag. The U.S. Navy began escorting reflagged Kuwaiti tankers last July 22 — a year ago this week. During General Crist's tour, the United States has increased its presence in the region to 15,000 military personnel from 2,000, and to 27 navy ships from six, including aircraft carriers and high-technology Aegis cruisers like the Vincennes, which mistakenly shot

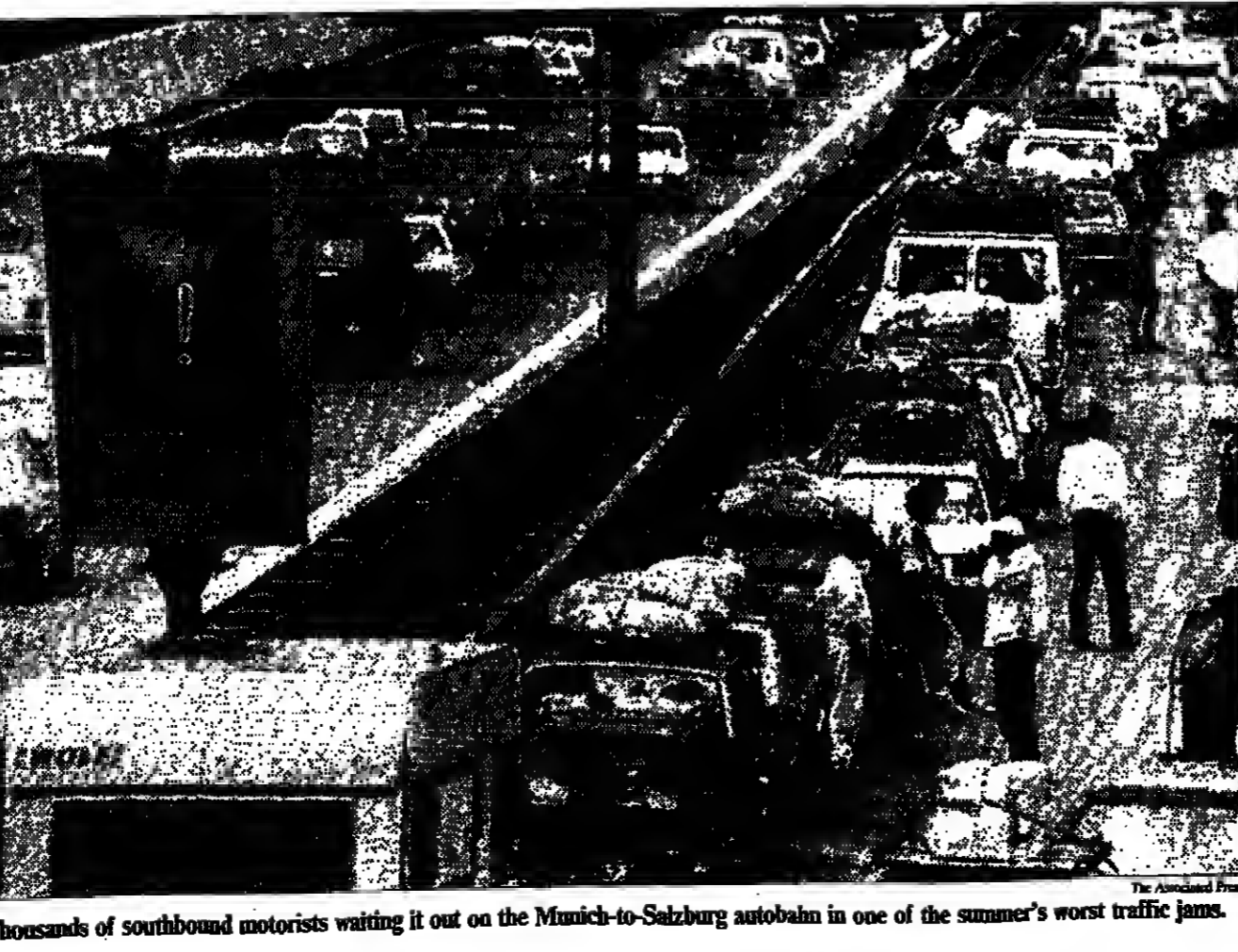
Trade Figures Give Green Light for Dollar Buying

By Carl Gewirtz International Herald Tribune PARIS — The latest trade report out of Washington, which showed a small increase in the U.S. deficit that was in line with market expectations, has given traders a green light to resume buying dollars. For chartists, analysts who plot the daily closing rates and see the shape of the formed line graph as signaling whether to buy or sell, the dollar has been and remains a buy. "The technical strength of the dollar remains in place so long as the exchange rate remains above 1.81 Deutsche marks and 129.60 yen," said Simon Crane. His London-based company, Crane Investment Analysis, looks at charts and fundamentals, data on actual economic performance, to determine exchange rate movements. "I see little reason why [anticipated] minor resistance at 1.8610 DM should stem the advance," he said. "I can't see any reason for it to get choked off before we get in 1.8815. From that level, I would look for only minor retracement as well." He predicted the dollar would then hit a year-end level of around 1.92 DM. The dollar ended in New York at an 11-month high of 1.8805 Deut-

On Page 6 • Japan prefers George Bush, feeling safer with "the devil you know." • Democratic delegates are more liberal than the voters they represent. • Jimmy Carter says Bush gives "a kind of effeminate impression."

Stau: Holiday in a Slow Lane

By Ferdinand Protzman International Herald Tribune FRANKFURT — The autobahn from Munich to Salzburg is a scenic road, running through the wooded foothills of the Alps, crossing the Inn River and skirting the southern shore of the Chiemsee, one of Bavaria's most beautiful mountain lakes. It is also the autobahn system's worst bottleneck. On summer weekends, thousands of German motorists, as well as foreigners, get an unwanted opportunity to familiarize themselves with the highway's pastoral surroundings as they wait in what one police official called, an almost traditional part of a German's vacation: der Stau, or traffic jam. Although the start of the summer holiday season snarls traffic in other European countries, the traffic jams on West Germany's 8,450-kilometer (5,220-mile) autobahn system are legendary in size and peculiarly German in character. This past weekend was the one of the worst weekends of the summer. The Munich-Salzburg autobahn on Saturday was more like a linear parking lot than a superhighway as the Bavarian police reported southbound traffic jammed from one end of the 130-kilometer autobahn to the other. The weekend before, the Stau was only 100 kilometers long. "We don't keep records on the length of the traffic jams," said Alfons Metzger, a spokesman for the Bavarian Interior Ministry. "But it's safe to say those are two of the longest we'll see this year. We know when they will happen, but there really isn't anything that can be done to prevent them. You can't tell people not to go on vacation." In the summer, it seems as if everyone in the country packs up his car and drives south on the autobahn, heading for the lakes and mountains of Austria, Switzerland and Italy, or the beaches of Yugoslavia, Greece and Turkey. Over the weekend, the flood of German sun-seekers caused four-hour delays at the Austrian-Yugoslavian border and two-hour waits at the Austrian-Italian border. Lengthy delays were reported at almost all Alpine tunnels and passes in Austria and Switzerland. These jams were caused by the start of school holidays in Saarland and Rhineland-Pfalz states and by the start of the annual summer vacation of thousands of workers from Ford-Werke AG in Cologne. The previous weekend, a school holiday in North Rhine-Westphalia, the nation's most populous state, coincided with the start of Volkswagen AG's summer vacation period. Dutch, Belgian and Scandinavian vacationers also add to the congestion. "These are the two worst weekends," said Dieter Wiersich, a spokesman for the Allgemeiner Deutscher Automobil-Club in Munich. The traffic jams also spill over onto the Bundesstrassen, or two-lane federal highways, traffic experts say, making driving that much more hazardous. On Saturday, nine persons died in accidents on southern German federal highways and autobahns. Despite the absence of a speed limit on many parts of the autobahn and the heavy traffic, the jams were not as bad as they were in 1984. See JAM, Page 5



Thousands of southbound motorists waiting it out on the Munich-to-Salzburg autobahn in one of the summer's worst traffic jams.



OLD BRIEFS

Armenians decided Sunday to call a crucial Kremlin meeting on the Caucasus Region. The strike was called by the Armenians say that their demands...

Arab in Fight for Gun

An Israeli soldier shot and killed a Palestinian in his rifle on Sunday in a Tel Aviv suburb...

Soviet Achievements

A leading Soviet scientist has defended Soviet science, saying that it had failed to predict decades of official Soviet policy...

Make Offer to Manila

General commander said Sunday that he would accept peace talks with President Corason...



Nelson Mandela modeled a pair of his shoes for the United Nations leader's visit.

Halted in Cape Town

South African police halted a march in Cape Town on Sunday, saying it was a violation of a ban on public demonstrations...

AVEL UPDATE

Workers threaten strike in the city of Aveley, England, over a proposed wage freeze...



LATER, NO DOUBT, HELL RETURN THIS PRESENT — John Matar spent much of his 46th birthday removing plastic "peanuts" from his home in Chicago. The packing material, two truckloads of it, was a gag gift sprung upon Mr. Matar by his brother, Sam. The two have been exchanging outrageous birthday presents, each trying to outdo the other, for the last 12 years.

AMERICAN TOPICS

Pinting More Style In L.A. Architecture

After decades of an anything-goes attitude, Los Angeles is beginning to get fussy about its architecture, Scott Harris reports in the Los Angeles Times...

Short Takes

More and more grown children are living at home, the U.S. Census Bureau reports — more than half of women aged 20-24, and one of every six men aged 25-29...

Notes About People

Attorney General Edwin Meese 34 says he will join the conservative Heritage Foundation and the Hoover Institution of Stanford University when he leaves the Justice Department in late July or early August...

Meese had been under investigation by a special prosecutor over allegations of using his influence to help his friends. No criminal charges resulted.

Representative Andrew Jacobs Jr. of Indiana writes that he has received a letter from the style of the late Senator Stephen M. Young of Ohio, who would often reply to unfriendly letters with "Some idiot is writing to me and signing your name."

Shultz Vows U.S. Aid to Democracy For Asians

By Don Oberdorfer Washington Post Service SEUL — Secretary of State George P. Shultz, citing recent democratic successes in South Korea and the Philippines, has pledged that the United States will remain engaged with democratically oriented political forces in an effort to promote peaceful change in this part of the world.

U.S. Is to Resume Processing Of Visas for Soviet Refugees

MOSCOW — The U.S. Embassy has announced that it will resume processing the applications of thousands of Soviets who were promised refugee status in the United States but were left stranded because of a lack of State Department funds.

Opposition Chief In Mexico Urges 'Mobilization'

MEXICO CITY — Cuauhtémoc Cárdenas began a "national mobilization" against the Mexican government on Sunday with a rally of more than 200,000 people in the capital's historic central plaza.

Talks on Taba to Resume

TEL AVIV — The United States will initiate a new round of negotiations between Israel and Egypt in their dispute over the Taba Red Sea beachfront, Israeli radio reported Saturday.

Contra Military Likely to Expand Role

By James LeMoyné New York Times Service MIAMI — The top Nicaraguan rebel military commanders appear poised for the first time to take a direct and perhaps dominant role in the rebel political leadership.

In Peru, Shining Path Is Spreading Out

By Alan Riding New York Times Service LIMA — Long dismissed as an isolated band of violent fanatics, the Shining Path guerrillas of Peru have spread out from their Andean Mountain haven and are emerging as a growing urban political force.

The new 1989 spring/summer fashion in Düsseldorf/West Germany. Collections Premieres Düsseldorf July 31 to Aug. 2, '88. For detailed information please contact Igdo Düsseldorf, fax 02 11/43963 45, telex 8 584 823.

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INTERNATIONAL Herald Tribune

The Answers Are Urgent

The debate at the United Nations on the downed Iranian airliner is moving along constructively...

ended this internal debate. Instead it seems to have nudged it along, with the initial advantage visibly accruing to those who put strengthening Iran's international position above deepening its revolution...

Democrats in Unison?

Ever since the fires of '68 blazed into riot in Chicago, the Democratic Party has been beside itself, split between liberals and conservatives...

defections. Starting in 1968, younger, better educated, anti-war Democrats began playing a decisive role in the party...

Helping Latin Democracy

Two months ago, President Vinicio Cerezo of Guatemala survived a coup attempt, solidifying his support among the military high command...

even though this seems essential to ending the cycle of unrest and repression. And he has neglected his duty under the Arian peace plan to open a dialogue with leftist guerrillas...

Other Comment

Reasons to Release Mandela

Nelson Mandela is 70 years old [on July 18]. Convicted of sabotage in 1964 when he was already in jail on lesser charges...

argument. But experience has taught that there is little point in throwing morality against the battlements of Apartheid...

INTERNATIONAL HERALD TRIBUNE

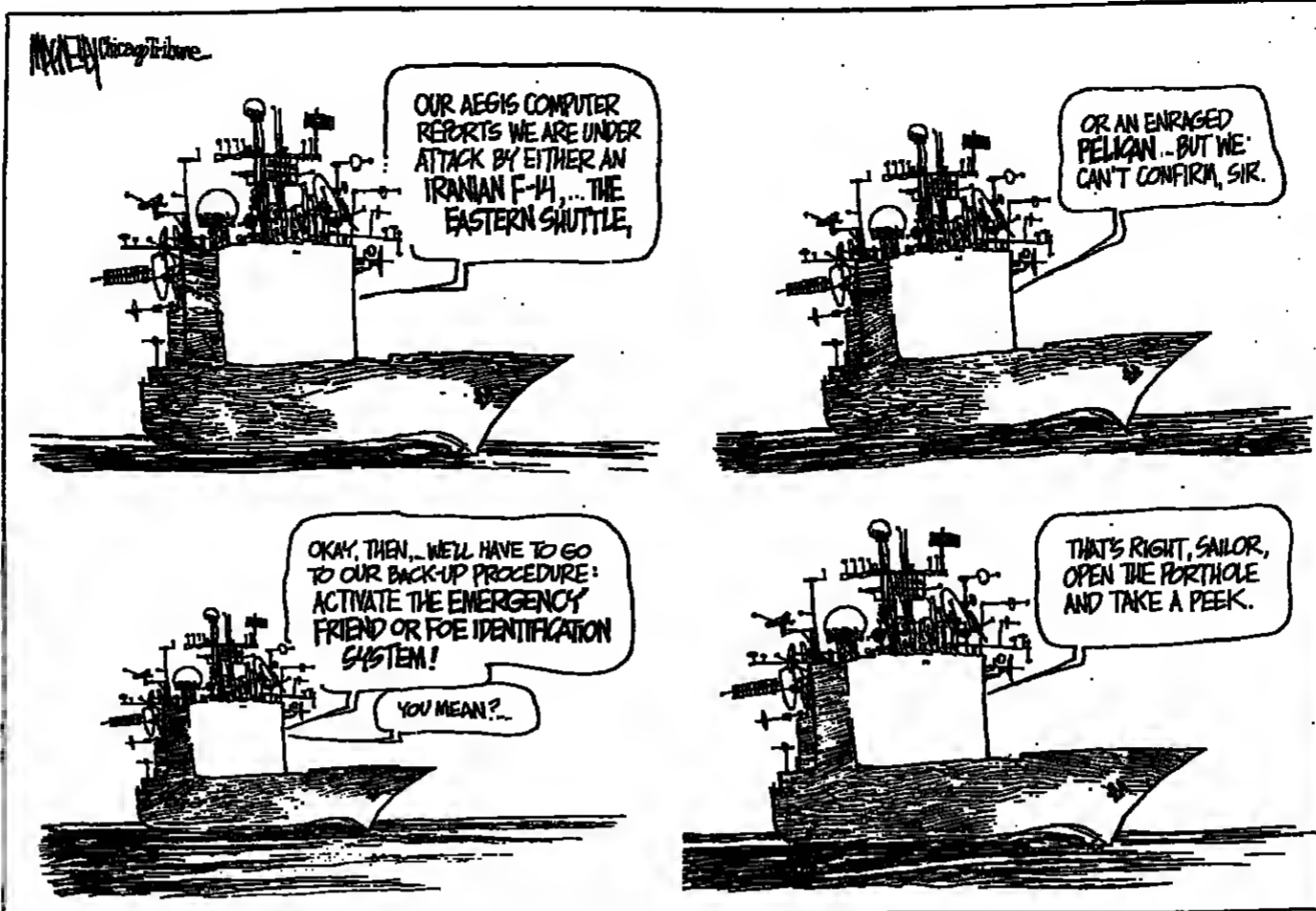
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Director of the publication: Walter N. Thayer



The Socialist Model Is Proving Hard to Reform

By Merle Goldman and Marshall I. Goldman

BOSTON — During a visit to the Soviet Union and China in May and June, we were struck by the widespread disillusionment with economic reforms...

cooperative businessmen were doing very well. Even our city friends acknowledged that their homes were now filled with conveniences such as washing machines, refrigerators and television sets...

the first three months of 1988. As a result of the anti-alcohol campaign, moonshiners have grabbed sugar from the shelves. This has led to sugar rationing in many areas...

Holocaust: A Response to the Pope

By Alfred Lipson and Samuel Lipson

NEW YORK — During his recent visit to the former concentration camp at Mauthausen, John Paul II addressed the victims of the infamous death camp...

and Austrians, as Russians and Hungarians, as Germans and Ukrainians. Your Holiness, hours after cordially greeting President Karol Wojtyla...

American Voters Are Feeling Serious

By George F. Will

WASHINGTON — Tall and thin, with hair silver-gray like the patina of old family furniture...

electoral votes, the same as California. Whether or not Mr. Bentsen brings Texas to Mr. Dukakis, he will force Mr. Bush to expend on Texas precious resources of time and money...

The World Isn't Going To Sit Still

By Flora Lewis

ATLANTA — Short of some startling event, the prospects are that foreign policy will not be a significant issue in the American campaign...

It is almost as if a new administration started after the 1986 elections, setting the course for several years...

One pressing decision will be on new short-range nuclear weapons in Europe, particularly to replace the aging Lance missiles...

Washington will need to reach an early conclusion on its attitude to the United Nations. The Soviets have done an about-face, favoring more direct UN involvement...

With Israeli elections coming in November, there is not much Washington can do about that conflict in the meantime...

Issues are coming up on trade, technology transfer, credits and debt, with the East and the Third World as well as among industrialized states...

100, 75 AND 50 YEARS AGO

1888: Anarchist Bombs

NEW YORK — The police of Chicago to-day [July 17] made a raid upon a suspected house, and discovered twelve dynamite bombs...

1938: Republicans Flee

FRANCO-SPANISH FRONTIER — Twenty-thousand Republicans were in full flight today [July 17] from the pumiced Mora de Rubielos pocket...

1913: U.S. Autos Lead

NEW YORK — Automobile dealers in New York declare unanimously that American machines will continue to find a ready sale in Europe...

Best Bloc... Plans Plan... Arms... Talks... Endorsed

By Jackson Diehl... Leaders of the Warsaw Pact have been talking about conventional arms... separate... the elimination of... nuclear weapons...

ESCORT: In the G... (Continued from Page 1)

When the Reagan... (Continued from Page 1)

Herald Tribune

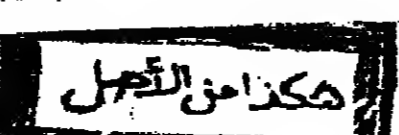
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INTERNATIONAL Crit...





THE DEMOCRATS IN ATLANTA: They lean to liberalism, but that may have little impact on the convention or on their public image.

Poll Finds Democratic Delegates to Left of Voters

By Andrew Rosenthal  
New York Times Service

ATLANTA — Delegates to the Democratic National Convention are more liberal and wealthier than the Democratic voters who sent them to Atlanta and the U.S. public in general, a New York Times survey shows. The delegates display enthusiastic support for positions such as combating drugs and controlling imports that the Reverend Jesse L. Jackson pushed long before they were championed by Michael S. Dukakis, the party's prospective presidential nominee. And they want to cut military spending, a position closer to Mr. Jackson's than to Mr. Dukakis's.

possibility of tax increases, just as Mr. Dukakis's representatives to those drafting the platform have insisted. Still, just about as many, 67 percent, said they thought a tax increase would be necessary in the next four years. Mr. Dukakis, who was one of the 1,059 delegates in the sample,

The days when the convention was a nearly all-white male club are gone — roughly half the delegates at Atlanta are women, and 21 percent are black.

has said taxes could be raised as a "last resort." Even if the delegates seem to support some of Mr. Jackson's themes, the Dukakis campaign is confident that it has enough votes to keep the party platform general and thematic. Mr. Jackson still has only about 25 percent of the delegates to promote the specific, predominantly liberal planks that he wants in the platform.

the entire group was plus or minus three percentage points. Sixteen years after the 1972 convention pressed to diversify what had been a nearly all-white male club, the poll found some consistencies — roughly half the delegates are men and half are women — and some

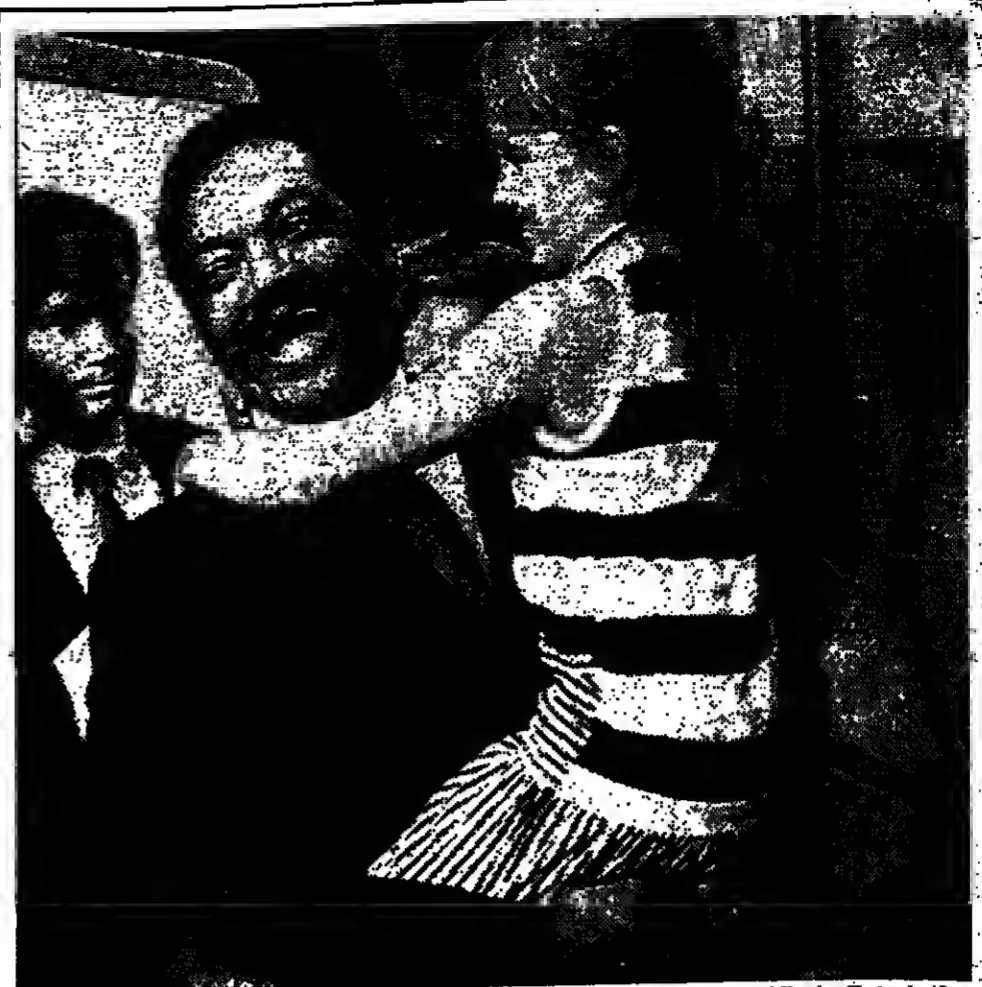
The delegates make considerably more money than average Americans; 56 percent of them said their family incomes last year were \$50,000 or higher, and 16 percent earned over \$100,000. Among Americans surveyed in the recent national polls, 78 percent said they earned under \$50,000 and 64 percent said they had a high school degree or less.

The way the regular elected delegates describe themselves has significantly changed since 1984. Only 40 percent of them said they were liberals; in 1984, 52 percent called themselves liberals. According to the recent surveys, 27 percent of Democratic voters and only 20 percent of the general public said they were liberals.

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According to the recent surveys, 27 percent of Democratic voters and only 20 percent of the general public said they were liberals. The Democratic delegates also disagree with the general public on military spending. Sixty-three percent said they favored a cut in spending — a stand that is rejected in the party's thematic draft platform — while 29 percent said it should stay the same.



The Reverend Jesse L. Jackson arriving in Nashville, Tennessee, en route to Atlanta.

Wooing the Boys on the Bus  
Jackson's Convention Caravan Seizes the Spotlight

By Gwen Illil  
Washington Post Service

ATLANTA — The car, shaped like a giant Oscar Meyer wiener, began to shadow us on the Interstate between Louisville and Nashville. It was an odd enough sight in itself, but the reason the car never passed the motorcycle became clear after a few miles, when the driver flashed a hand-lettered sign that said, "Go Jesse!"

It was a rare moment of spontaneity in the rolling Jesse Jackson press circus that brought the candidate to Atlanta on Saturday. Mr. Jackson tried to invoke memories of freedom rides and civil rights marches along the route that followed in part the path General William Tecumseh Sherman took in his destructive march through Georgia during the Civil War. But the trip had more the feel of a loosely organized bright idea.

Seven buses, six of them reserved for reporters from as far away as Japan and Australia, made up the bulk of the caravan. It was originally intended that the campaign would pick up delegates and supporters along the more than 700 miles (1,100 kilometers) from Chicago to the Democratic Party's convention site in Atlanta. But the goal of picking up people along the way was tossed aside after the first stop.

Mr. Jackson, it seemed, was having entirely too much fun entertaining the press. Everywhere on the route, local news helicopters showed up to document the journey. The major networks planned to have helicopters in the sky, broadcasting the progress of the motor-bus motorcycle as it neared Atlanta.

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Schedule of Main Events

- Compiled by Our Staff From Dispatches
- ATLANTA — Following is a list of the main events scheduled this week at the Democratic National Convention. Each evening's agenda is set to take place between 5 P.M. and 11 P.M. Atlanta time, or 2:00 GMT and 04:00 GMT.
- MONDAY
- 2330 GMT: Convention opens under the chairmanship of Representative Jim Wright of Texas, speaker of the U.S. House of Representatives.
- 2345 GMT: Reports of Rules and Credentials Committees.
- 0125 GMT: Welcoming speech by Mayor Andrew Young of Atlanta.
- 0225 GMT: Ann Richards, the Texas state treasurer, gives the keynote address.
- 0310 GMT: Remarks by Paul G. Kirk Jr., party chairman
- 0330 GMT: Former President Jimmy Carter speaks.
- TUESDAY
- Consideration of party platform.
- Senator Edward M. Kennedy of Massachusetts speaks.
- Jesse L. Jackson speaks.
- WEDNESDAY
- Governor Michael S. Dukakis of Massachusetts is nominated for president.
- Mr. Jackson also is nominated.
- A roll-call vote is held for the presidential nomination.
- THURSDAY
- Nominations and roll-call votes are held for the vice presidential candidates.
- The vice presidential nominee speaks.
- The convention adjourns.

Bush Has Picked a Strange Time, Some Say, to Do the 'Fishing Thing'

By Gerald M. Boyd  
New York Times Service

WASHINGTON — Sometimes presidential candidates just cannot seem to win. For weeks, Vice President George Bush has been pondering what to do when the Democratic National Convention convenes in Atlanta on Monday. That has always been a concern for the party that suddenly finds public attention directed to the opposition at convention time.

Some advisers to the vice president have argued that etiquette dictated a low-key approach. But to others, this week looked like a golden opportunity for easy publicity, since news organizations would be seeking to balance the flood of stories about the Democrats with almost anything about Mr. Bush or his Republican Party.

Mr. Bush spoiled any hope of this when he decided to vacation in a remote national park area in Wyoming, so remote that he will be traveling by helicopter to some areas, and the press will not be able to follow. The only scheduled guest is Treasury Secretary James A. Baker 3d, though some aides predict that Senator Alan K. Simpson, Republican of Wyoming, might turn up.

Jimmy Carter Labels Bush As Effeminate

United Press International

ATLANTA — Former President Jimmy Carter said in an interview published Sunday that Vice President George Bush gives "a kind of effeminate impression" by trying to be "tough when he isn't." Mr. Carter told the Sunday Daily News of Gwinnett County, Georgia, that Mr. Bush, who will probably be made the Republican presidential nominee next month, had a "very serious problem of silliness," which would help the Democratic presidential ticket.



Former President Jimmy Carter talking with reporters Sunday in Atlanta as Democratic Party delegates gathered to pick a presidential and vice presidential candidate for the autumn election.

DEMOCRATS: As Convention Opens, Party Seems More Unified Than in Many Years

(Continued from Page 1)

is that he also has the party's most loyal constituency." Many Democrats console themselves with the thought that polls show Mr. Dukakis to be an overwhelming favorite over Vice President George Bush among blacks. But Mr. Eisenstat said, "It is too easy to say that blacks have one way or the other. There are no easy answers for a party whose consensus has moved to the middle to accommodate the legitimate demands from the left. That is the party's cruel dilemma."

and "good jobs with decent wages" for all. But he has backed the promises with few specifics, always noting that the deficit he will inherit. Though he comes from the Kennedy's home state, Mr. Dukakis, in his frugality, discipline, intellectuality and dislike for backroom politics, reminds many of Mr. Carter. "Dukakis fits no past Democratic presidential model perfectly," said Harry C. McPherson Jr., who served on Lyndon B. Johnson's White House staff. "He's surely out a Hubert Humphrey, not a rhetorical, mainstream liberal out to appropriate money to finance programs to help the needy. He's much more like Carter."

Some party activists now say that "Jimmy Carter had a lot of it right," as the political consultant Geoff Garin put it. "He saw there were tough choices," they say. Mr. Garin added that Mr. Carter "had the opportunity to become a very important transitional figure, but he was undermined by events and by the resistance of the institutional party."

Coolness to Mr. Carter fueled the Kennedy rebellion of 1980, which is in some respects similar to the Jackson challenge this year. Miss Estrich said that in 1980, while the Carter administration was focusing on inflation, the Kennedy faction was taking demands for jobs programs to the Democratic convention floor.

quarrels. Civil rights is no longer a divisive issue in the party. Divisions over foreign policy have abated, for reasons summarized by Larry Smith, who was an adviser to Gary Hart during the former Colorado senator's presidential campaign. First, Mr. Smith said, most of the main figures in congressional debates are people who have gone to Washington in this decade, unscarred by the bitter intraparty battles over the Vietnam War.

Japanese Prefer the 'Devil You Know'

By Fred Hiatt and Margaret Shapiro  
Washington Post Service

TOKYO — Japan's over-enthusiasm about a possible Democratic victory in the U.S. presidential election has been heightened with the choice of Senator Lloyd Bentsen of Texas as the probable vice presidential candidate and House approval of a revised trade bill. Japanese opinion leaders are not enthusiastic about either presidential candidate, Vice President George Bush as the Republican candidate or Governor Michael S. Dukakis as the Democratic choice. But many politicians and business leaders believe that the Democrats are more likely to adopt isolationist, protectionist and anti-Japanese policies, while the Republicans offer at least a familiar cast of characters.

"You're safer with the devil you know," one observer said, describing the widespread Japanese attitude toward the presidential race. Japan, which depends economically and militarily on the United States, has long followed U.S. policies almost as closely as its own. Now that Japan has become an economic power and chief financier of the U.S. debt, its views of those policies have become increasingly important outside Japan.

The preference for a Bush victory has led some economists and traders in Japan to assume that Tokyo has allowed the dollar to rise on the international market party to help the Republicans. One senior bureaucrat said that "in the longer run" the dollar will probably begin falling again. Asked if the longer run would begin in November, the bureaucrat laughed and said, "probably."

initially pursued a dangerously weak and idealistic foreign policy. "They are a little bit concerned about another small-state governor coming in, not that well-versed in foreign policy and trying again to do something like polling the troops out of South Korea," a Western diplomat said, referring to Mr. Carter's policy, which was abandoned amid great controversy. Japanese worries about Mr. Dukakis were exacerbated in some quarters last week when he announced Mr. Bentsen as his preferred vice presidential nominee. Some Japanese officials said they were reassured by the choice, since Mr. Bentsen is a conservative insider who can get things done.

JACKSON: Differences Have Yet to Be Resolved

(Continued from Page 1)

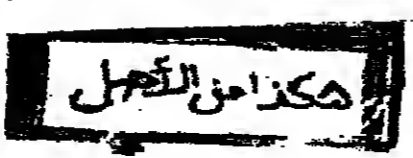
to be put into nomination Wednesday night along with that of Mr. Dukakis. He said Sunday he had not decided whether to seek the vice presidential nomination. Although contested votes for the presidential nomination are common, they are rare for the vice presidential nomination. Speaking on an NBC television program, Susan Estrich, Mr. Dukakis's campaign manager, said: "It's been our view all along that Reverend Jackson, his supporters and his staff have a vital role to play in the campaign."

him a big boost, according to a Chicago Tribune poll released Saturday, United Press International reported. The poll of 1,507 registered voters in California, New York, Texas, Florida and Illinois was conducted by Peter D. Hart Research Associates of Washington, from July 5 to July 9. Fifty percent of those surveyed said they favored Mr. Dukakis, compared with 39 percent for Mr. Bush and 11 percent undecided.

Mr. Dukakis led in California, New York and Illinois, tied Mr. Bush in Texas and trailed him in Florida. Because the poll was taken before Mr. Dukakis named Mr. Bentsen as his running mate, 194 of the Texas respondents were reinterviewed. In the second poll, 17 percent of those who originally said they supported Mr. Bush switched to the Democrat's side.

On Saturday, Mr. Dukakis's campaign chairman, Paul P. Brown, met with Mr. Brown in an effort to defuse tension between the camps. The Washington Post reported from Atlanta, both men later said they had made progress and scheduled further discussions. Sources in both camps said that Mr. Jackson's negotiators had set forth his desire for a major role in the election campaign.

Vertical advertisements on the right edge of the page, including 'INTERNATIONAL TRANSMITTERS', 'Developing in E...', 'The Official Statement...', and 'Last Week...'



INTERNATIONAL CREDIT

Concealed Capital Market Is Developing in Europe

By CARL GEWIRTZ International Herald Tribune PARIS—An important market nearly totally hidden from public view is developing for European companies to increase their capital without altering their real ownership...

The banks in the forefront of this business are said to be Merrill Lynch & Co., J.P. Morgan & Co., Morgan Stanley & Co. and Swiss Bank Corp. Investment Banking. The stated reason for keeping details confidential is a desire to withhold critical information on how to construct such deals from other banks not yet up to speed...

French bankers said their internal auditors refused to sanction this tax code distortion.

The few bankers willing to talk about the subject also expressed concern about how the European Commission might react to the lenient tax treatment if details were readily available. The common feature to all the transactions is that they are private placements of perpetual notes that are sold to investors for 15 years, but, thanks to financial legerdemain, remain outstanding forever...

The only capital-raising exercise for which details are known is by Rhône-Poulenc SA. Two weeks ago, a joint declaration from the French ministries of finance and industry accorded the state-owned chemical company permission to increase its capital by 5 billion francs through the sale of perpetual capital notes.

THE OFFICIAL statement never mentioned the tax relief, although assurance that the controversial reduction would not be challenged was the only reason the company had to consult the government. In essence, Rhône-Poulenc will be permitted to deduct as a legitimate "interest" expense the money set aside to repay investors after 15 years...

Without the tax deduction, the operation could not have gone ahead, as the money saved is the key ingredient that makes this a compellingly cheap way to increase its capital. French bankers said their internal auditors refused to sanction this distortion of the tax code, which normally does not allow repayment of principal to be taken as a business expense...

Speaking about an operation being studied by a British company, a banker said: "It's possible to come up with a different structure" from Rhône-Poulenc's where a company can get a tax reduction initially but would subsequently pay some of the tax back. "That would have much less powerful economics, but could still in fact be pretty attractive. Not because the net net tax had been taken out of the system, but because of the time value of money—you get relief today, tomorrow and the next day, but pay back in year 15."

The only companies known to be currently seeking to raise capital through the sale of perpetual 15-year notes are Compagnie Bancaire and Banque Paribas, a unit of the state-owned Thomson. No details have been divulged on the structure of these operations, both arranged by Swiss Bank Corp. Investment Banking...

In the credit market, Chemical Bank last week was named to arrange the sale of \$595 million in senior debt facilities to assist in financing the management buy-out of Reed Manufacturing from the parent company Reed International.

Chemical said that \$400 million would be drawn down to fund the completion of the acquisition. There were no details on the terms, but market rumors had the loan running for eight years at 1 3/4 points over the London interbank offered rate.



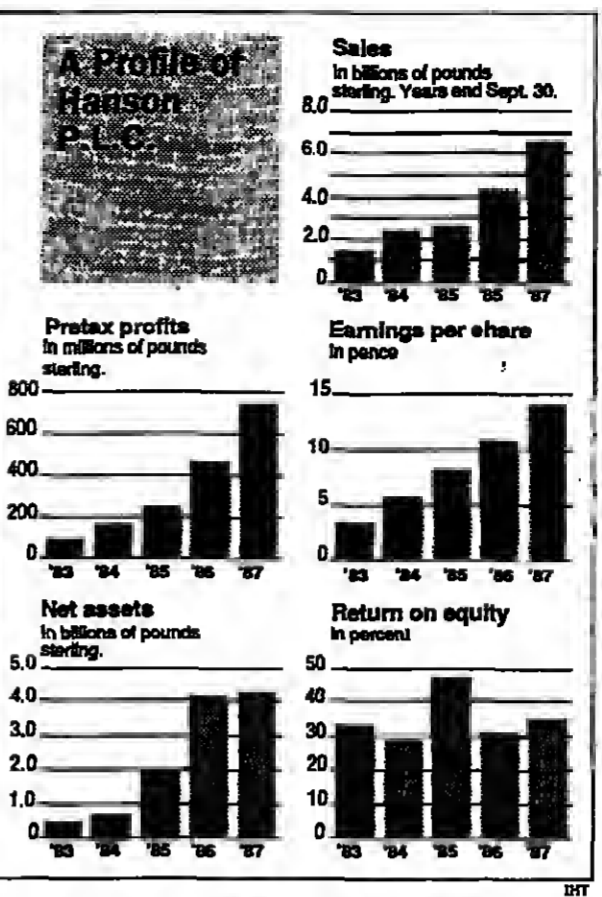
Britain's Hanson: Unashamed Giant Of the Acquisitors

By Warren Geiler International Herald Tribune LONDON—"We believe we are opportunistic," said Martin G. Taylor, a vice chairman of Hanson PLC, Britain's most acquisitive industrial conglomerate. "Although that's a word often used against us by defending bankers, we tend to think it's rather a compliment."

The record speaks for itself, said Jeff Putterman, who tracks Hanson for the investment banking firm Drexel Burnham Lambert Inc. in New York. "It's hard to criticize people who have been doing this well for so long."

Indeed, the group's chairman, Lord Hanson, and Sir Gordon White, chairman of the U.S. unit, Hanson Industries Inc., have achieved a kind of cult status as Britain's most eminent takeover artists. Lord Hanson, 66, and Sir Gordon, 65, have the reputations of being curmudgeonly, discreet geniuses, notwithstanding the terror they often strike in target company boardrooms...

Hanson Industries, based in Iselin, New Jersey, entered 1988 as one of the top 60 U.S. companies.



Lord Hanson, who as chairman earned \$320,000 (\$545,000) last year, is the chief administrator and senior diplomat of the sprawling group. Sir Gordon, who was introduced to James Hanson by the latter's younger brother, the late Bill Hanson, is the creative strategist behind the conglomerate.

Its December, the parent dropped the word "Trust" from its name because, Mr. Taylor explained, "we had received so many letters from Americans believing that we were in some sense a bank... They were sending us checks wishing us to manage people's money for them."

But over the past five years, Hanson has seen HANSON, Page 9

Canada Expected to Finance Atlantic Oil Project

By John F. Burns New York Times Service TORONTO—Oil industry executives said the Canadian government would announce this week that it planned to provide much of the financing needed to begin a \$5 billion oil project off the coast of Newfoundland.

The plan calls for a huge concrete platform to stand in 300 feet of water (91 meters) in an area known as Iceberg Alley, about 180 miles (290 kilometers) east of St. John's, Newfoundland, in the Atlantic Ocean, the executives said. The site is north of where the Titanic struck an iceberg and sank in 1912.

It would be the first deep-water oil well to be put into production along the eastern coast of North America.

At a projected production flow of up to 100,000 barrels a day, the field could add nearly 10 percent to Canada's current production of conventional crude oil.

The project seems certain to attract the scrutiny of safety experts and environmentalists. Its economic viability has been questioned as well. According to industry sources, the consortium of

oil companies involved in the project has calculated the field would be profitable at a world oil price of about \$22 a barrel. The current price is about \$14.50.

While some industry forecasters said they believed that dwindling supplies in the 1990s would push the price up, the consortium was

not prepared to proceed with the project without a large infusion of government money.

Industry sources said the decision to proceed would be announced by Marcel Masse, minister of energy, mines and resources, probably on Monday.

The project requires the approval of the federal and provincial cabinets. Prime Minister Brian Mulroney's office confirmed that he would be in St. John's on Monday. The industry sources said Mr. Masse would outline an arrangement under which the government would provide about \$2 billion in

G-7 Still Divided Over Policy Use Of Commodities

By Reginald Dale International Herald Tribune BRUSSELS—Despite publicly endorsing the idea at their Toronto summit last month, the seven leading industrialized nations are still divided over a plan to include gold and other international commodity prices among their barometers of the world economy.

The proposal was launched in September by James A. Baker 3d, the U.S. Treasury secretary, who wants gold to play a prominent role in a new commodity price index that would help guide joint economic decisions by the Group of Seven countries: the United States, Japan, West Germany, France, Britain, Italy and Canada.

Although the seven approved the suggestion in principle in April, senior European financial officials said experts working on the index at the International Monetary Fund still disagreed over the relative weighting of gold and other commodities, notably oil.

Much more important, they said, the seven countries are still far from agreement on the fundamental issue of how the performance of the commodity index and the other indicators they monitor should influence national economic and monetary policies.

The big question about the commodity index is not how you construct it but what you do with it, a British official said. Should governments, for example, be obliged to alter their interest rates in the light of inflation trends shown by the commodity index?

That essentially political question goes to the heart of the current debate among the seven countries as they grope toward a reform of the international monetary system intended to restore tighter control over exchange rates.

The seven generally agree that joint economic policy management, rather than massive currency intervention, should be used to stabilize their currencies.

But they differ over whether a government should be required to take corrective action if its economy—or its exchange rate—gets out of line with the others or whether such policy coordination should essentially be voluntary.

Basically, said a senior European official, the Europeans do not want to be told what to do by the United States. "There is a question of sovereignty—a feeling that the United States has been bullying its trade partners a bit too much," he said.

By contrast, European officials said the precise composition of the commodity index is effectively a technical issue that can be resolved by the time the G-7 ministers next meet during the IMF's annual gathering in Washington in September.

Of the three main players, the United States wants to give a greater weight in the index to gold, West Germany wants more emphasis on oil—whose accounts for nearly 50 percent of all trade in basic commodities—and Japan has stayed largely on the sidelines.

But the officials added, the dispute is no greater than similar arguments over other indicators, such as price indexes, for example, over whether greater weight should be given to wholesale or retail prices.

The answer, said a European official, is simply to leave the index flexible. "There is no reason to give a big weight to oil if the oil price is not causing problems. And a rise in the gold price would be seen as less significant if it was simply the result of a 'speculative attack'."

The pragmatic solution likely to be adopted is that the IMF experts will report to G-7 ministers on the varying results that would emerge from different ways of calculating the index. They would thus be able to compare international price trends according to whether gold or oil were given the greater weight.

"If the index is used to determine how you change your economic policy, it's obviously crucial what you put in it," a European official said. See COMMODITIES, Page 9

OECD Warns Yugoslavia Must Control Price Rises

PARIS—Yugoslavia must reduce runaway inflation to break out of a vicious circle of "stagflation"—a stagnating economy and high inflation—the Organization for Economic Cooperation and Development said in a report for release Monday.

In a survey of the Yugoslav economy, the Paris-based organization said, however, that reform measures taken or proposed over the past 18 months should help promote efficiency by penalizing "economic failure" and improving economic policy instruments.

The report said Yugoslavia faced inflation running at an annual rate of 250 percent before a partial price freeze was imposed last November. The rate has since remained around 90 percent.

Mr. Mikulic said last week that up to two million workers could lose their jobs as a result of austerity measures. (Reuters, AFP)

Currency Rates table with columns for Country, Bid, Ask, and other rates for various currencies like USD, GBP, JPY, etc.

Other Dollar Values table listing various international financial values and exchange rates.

Last Week's Markets table showing stock indices (Dow Jones, Nikkei, etc.) and money rates (US, UK, etc.) with percentage changes.

Hachette advertisement for shareholder meetings, detailing company performance, financial goals, and shareholder information.

ITO-YOKADO CO., LTD. advertisement for 5% Convertible Debentures due August 31, 1996, including terms and conditions.

New International... DOLLAR: Trade... (Continued from Page 1) The really sharp decline in technical analysis was... "I think the real test is going to come over the coming weeks..."

Weekly International Bond Prices

Provided by Credit Suisse First Boston Securities, London, Tel.: 01 323 1130 Prices may vary according to market conditions and other factors.

Dollar Straights

Table of Dollar Straights bond prices including Australia, Canada, and Japan.

Europe

Table of European bond prices including UK, France, Germany, and Italy.

Latin America

Table of Latin American bond prices including Mexico, Brazil, and Chile.

Asia

Table of Asian bond prices including Hong Kong, Singapore, and others.

Supranational

Table of Supranational bond prices including Council of Europe and World Bank.

United States

Table of United States bond prices including Treasury and Government bonds.

Non-European

Table of Non-European bond prices including Australia, New Zealand, and others.

DM Zero Coupons

Table of DM Zero Coupon bond prices.

Mutual Funds

Flowers as of close of trading Friday July 15

Large table of Mutual Funds with columns for fund name, share price, and other details.

DM Zero Coupons

Table of DM Zero Coupon bond prices.

Western Europe (Other)

Table of Western European bond prices (Other).

DM Straights

Table of DM Straight bond prices.

DM Straights

Table of DM Straight bond prices.

DM Straights

Table of DM Straight bond prices.

DM Straights

Table of DM Straight bond prices.

DM Straights

Table of DM Straight bond prices.

WestLB Fixed Income and Equities Trading - for dealing prices call: WestLB Westdeutsche Landesbank





# NASDAQ National Market

OTC Consolidated trading for week ended Friday, July 15

Symbol	High	Low	Close	Change	Volume	Sales \$	High	Low	Close	Change	Volume	Sales \$	High	Low	Close	Change	Volume	Sales \$	High	Low	Close	Change	Volume	Sales \$	
AAW	19.0	18.0	18.0	+	10	180	1900	18.5	17.5	18.0	+	20	390	18.5	17.5	18.0	+	30	555	18.5	17.5	18.0	+	40	740
ABD	10.0	9.0	9.0	-	5	45	450	9.5	8.5	9.0	-	10	90	9.5	8.5	9.0	-	15	135	9.5	8.5	9.0	-	20	180
ABC	2.0	1.5	1.5	-	2	10	100	1.8	1.2	1.5	-	3	30	1.8	1.2	1.5	-	4	40	1.8	1.2	1.5	-	5	50
ABD	1.0	0.8	0.8	-	1	5	50	0.9	0.7	0.8	-	1	5	0.9	0.7	0.8	-	1	5	0.9	0.7	0.8	-	1	5
ABE	3.0	2.5	2.5	-	5	15	150	2.8	2.2	2.5	-	6	18	2.8	2.2	2.5	-	7	21	2.8	2.2	2.5	-	8	24
ABF	1.5	1.2	1.2	-	3	10	100	1.4	1.0	1.2	-	4	12	1.4	1.0	1.2	-	5	15	1.4	1.0	1.2	-	6	18
ABG	0.5	0.3	0.3	-	1	5	50	0.4	0.2	0.3	-	1	5	0.4	0.2	0.3	-	1	5	0.4	0.2	0.3	-	1	5
ABH	2.0	1.8	1.8	-	4	12	120	1.9	1.6	1.8	-	5	15	1.9	1.6	1.8	-	6	18	1.9	1.6	1.8	-	7	21
ABI	1.0	0.8	0.8	-	2	10	100	0.9	0.6	0.8	-	3	15	0.9	0.6	0.8	-	4	20	0.9	0.6	0.8	-	5	25
ABJ	0.8	0.6	0.6	-	1	5	50	0.7	0.4	0.6	-	1	5	0.7	0.4	0.6	-	1	5	0.7	0.4	0.6	-	1	5
ABK	1.2	1.0	1.0	-	3	10	100	1.1	0.8	1.0	-	4	15	1.1	0.8	1.0	-	5	20	1.1	0.8	1.0	-	6	25
ABL	0.6	0.4	0.4	-	1	5	50	0.5	0.3	0.4	-	1	5	0.5	0.3	0.4	-	1	5	0.5	0.3	0.4	-	1	5
ABM	1.8	1.5	1.5	-	4	12	120	1.7	1.3	1.5	-	5	15	1.7	1.3	1.5	-	6	18	1.7	1.3	1.5	-	7	21
ABN	0.4	0.3	0.3	-	1	5	50	0.3	0.2	0.3	-	1	5	0.3	0.2	0.3	-	1	5	0.3	0.2	0.3	-	1	5
ABO	1.5	1.2	1.2	-	3	10	100	1.4	1.0	1.2	-	4	15	1.4	1.0	1.2	-	5	20	1.4	1.0	1.2	-	6	25
ABP	0.8	0.6	0.6	-	2	10	100	0.7	0.4	0.6	-	3	15	0.7	0.4	0.6	-	4	20	0.7	0.4	0.6	-	5	25
ABQ	1.0	0.8	0.8	-	3	10	100	0.9	0.6	0.8	-	4	15	0.9	0.6	0.8	-	5	20	0.9	0.6	0.8	-	6	25
ABR	0.5	0.3	0.3	-	1	5	50	0.4	0.2	0.3	-	1	5	0.4	0.2	0.3	-	1	5	0.4	0.2	0.3	-	1	5
ABS	1.2	1.0	1.0	-	3	10	100	1.1	0.8	1.0	-	4	15	1.1	0.8	1.0	-	5	20	1.1	0.8	1.0	-	6	25
ABT	0.8	0.6	0.6	-	2	10	100	0.7	0.4	0.6	-	3	15	0.7	0.4	0.6	-	4	20	0.7	0.4	0.6	-	5	25
ABU	1.5	1.2	1.2	-	3	10	100	1.4	1.0	1.2	-	4	15	1.4	1.0	1.2	-	5	20	1.4	1.0	1.2	-	6	25
ABV	0.6	0.4	0.4	-	1	5	50	0.5	0.3	0.4	-	1	5	0.5	0.3	0.4	-	1	5	0.5	0.3	0.4	-	1	5
ABW	1.0	0.8	0.8	-	3	10	100	0.9	0.6	0.8	-	4	15	0.9	0.6	0.8	-	5	20	0.9	0.6	0.8	-	6	25
ABX	0.4	0.3	0.3	-	1	5	50	0.3	0.2	0.3	-	1	5	0.3	0.2	0.3	-	1	5	0.3	0.2	0.3	-	1	5
ABY	1.8	1.5	1.5	-	4	12	120	1.7	1.3	1.5	-	5	15	1.7	1.3	1.5	-	6	18	1.7	1.3	1.5	-	7	21
ABZ	0.8	0.6	0.6	-	2	10	100	0.7	0.4	0.6	-	3	15	0.7	0.4	0.6	-	4	20	0.7	0.4	0.6	-	5	25

**Incop More**

A decision to ...  
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**NASDAQ National Market**

OTC Consolidated trading for week ended Friday, July 15

(Continued)

Symbol High Low Close Change Volume Sales \$

**Chicago Ex**

Market data for Chicago Exchange

هدى من الهدى

(Continued on next page)

Citicorp Move May Signal Tarnished Gilt Market

LONDON—A decision by Citicorp to end its market-making operations in British government bonds may lead to a shakeout among primary dealers in the securities, analysts and traders said. Citicorp Securities Vickers Securities Ltd. ceased market making in the bonds, known as gilt-edged securities, on Thursday night, saying it could not achieve an acceptable rate of return in the competitive London market. Fifty-six staffers were affected, but Citicorp said it hoped it could absorb them elsewhere. Citicorp's withdrawal comes as the over-owned gilt market prepares for new competition from two leading Japanese securities houses, Nomura International Ltd. and Daiwa Europe Ltd., which are due to start trading in London soon. Primary dealers' profit margins are also being squeezed by low volume. A Citicorp spokesman denied any relationship between the withdrawal and the pending entry of Nomura and Daiwa. News of the withdrawal was disturbing for many primary dealers because of Citicorp's Vickers' top ranking in the market. Market analysts said they thought Citicorp controlled 6 to 10 percent of gilt trading, and its overall market share earned it the No. 3 spot in a primary dealer ranking issued last spring by the U.S. consulting firm Greenwall Associates. "There could be a knee-jerk reaction among smaller primary dealers who think 'If Citicorp can't make it, why should we think we can?'" a senior gilt salesman said. But for others, Citicorp's withdrawal was seen as a sign that foreign-based, and particularly U.S.-based, firms may have difficulty justifying their commitments as primary dealers in London. Primary dealers are licensed to deal directly with the Bank of England and are required to make continuous two-way prices on the full range of gilt-edged securities outstanding. "There's been talk that [Citicorp] suffered some significant trading losses earlier in the year, but whether that's true, this seems to indicate something about their general commitment to the market," one economist said. "Like other American firms, Citicorp was viewed as having high overheads, expensive talent and a rather sophisticated technology sys-

WORLD STOCKS IN REVIEW / Via Agence France-Press

Amsterdam After a midweek fall, prices on the Amsterdam Stock Exchange recovered with the ANP-CBS general index closing at 266.6, off just 2.9 points from the previous Friday. For most of the week, the market took a wait-and-see attitude toward interest rates and the U.S. trade figures for May, then responded warmly to the moderate U.S. deficit. Prices moved ahead strongly on a broad front, with AKZO in the vanguard, led by a strong dollar sharply up on good volume. Total turnover reached 5.606 billion guilders, against 6.510 billion the previous week. Frankfurt Stocks declined for the first three trading days, then recovered somewhat. Thursday and Friday, with the Commerzbank index closing at 1,494.8 points, off from 1,507.3 the week earlier. Volume on the eight West German exchanges came to 17.5 billion DM, up from 17.3 billion. The market was depressed early in the week by profit-taking and uncertainties about interest rates. It rallied as the feeling grew that the Bundesbank would not raise rates. Electronics were hurt by forecasts of an impending slowdown of the West German computer market. Mixed last 6:30 DM to 452, Siemens 1:50 to 431 and PKI 3 to 597. Aska, a distribution company, jumped from 914 to 950 on good earnings, while Feldmühle Nobel, in chemicals, paper and explosives, lost 24.50 to 271. Other Ferruzzi Group shares fell: Montedison by 3.6 percent and Ferruzzi Agricola by 2.3 percent. Milan Stocks marked time, with the Comit index closing at 510.24, up from 509.51 the previous Friday. Daily volume averaged 145 billion lire, up from 138 billion. Trading was quiet until Friday, when it was reported that the Ferruzzi Group had sold the Standa department store chain to Fininvest. While there was no official confirmation, the Ferruzzi subsidiary Iniziativa, Meto, on which Standa depends, finished 2.6 percent higher, with Standa shares up a modest 0.8 percent. Paris Bourse prices fell markedly in a holiday-shortened week on fears the U.S. economy was overheating and generally higher world interest rates. Even a quarter-point drop in the Bank of France's money market intervention rate did not help and the CAC index ended the week at 354.1 points, down from 368.5 the previous Friday. Singapore Trading ended the week on a positive note, despite breakdowns in a new electronic system that halted trading several times. The Straits Times industrial in-

NASDAQ National Market OTC Consolidated trading for week ended Friday. Table with columns: Sales in 100s, High, Low, Close, Net Change. Includes sections for (Continued), U, and V.

Wall Street Review

NYSE Most Actives, AMEX Most Actives, NYSE Sales, AMEX Sales, NYSE Dailies, AMEX Dailies. Tables showing market activity and sales data.

American Exchange Options

Option & price table for American Exchange Options, listing various contracts, call and put prices, and dates.

Chicago Exchange Options

Option & price table for Chicago Exchange Options, listing various contracts, call and put prices, and dates.

ESORTS & GUIDES INTERNATIONAL CLASSIFIED (Continued from Back Page). Lists travel services and agencies in various cities like Zurich, London, Geneva, etc.

Equities Trading call. Advertisements for financial services including Euroshare At a Glance, Liberal Rates, and various trading services.



MONDAY SPORTS

Price Extends Lead to 2 In a Rainy British Open

The Associated Press
LYTHAM, England — Nick Price used solid iron play and putting to increase his lead to two strokes after Sunday's third round of the weather-delayed British Open golf tournament.



Leader Nick Price of Zimbabwe: Solid iron play and putting.

Viola Gets His 15th Victory As Twins Defeat Orioles, 7-2

The Associated Press
BALTIMORE — Frank Viola won his American League-leading 15th game, allowing five hits in five innings on a muggy Sunday as the Minnesota Twins defeated the Baltimore Orioles 7-2.

SUNDAY BASEBALL

Gagne and Kirby Puckett and a solo homer by Gene Larkin. Greg Maddux of the Chicago Cubs is the only other pitcher in the major leagues to win 15 games this season.

Red Sox 10, Royals 8 In Boston

Bill Burka drove in five runs with a home run, a triple and a double as the Red Sox completed their first-ever four-game series sweep of Kansas City.

White Sox 7, Yankees 3 In New York

Ron Guidry pitched one-hit ball for five innings for his first victory since Sept. 5 and Don Mattingly continued his second-half surge with two hits for the Yankees.

Reds 3, Expos 1 In Montreal

Tim Lincecum pitched a two-run game, striking out six and walking one, as San Diego won its third of four games with the Cardinals.

White Sox 7, Yankees 3 In New York

Don Pate pitched a two-run game, striking out six and walking one, as San Diego won its third of four games with the Cardinals.

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The Tour's Sweepers: Two Men on a Delicate Mission

By Samuel Abt
INTERNATIONAL HERALD TRIBUNE
GUZET NEIGE, France — Driving in the Pyrenees early Sunday afternoon, Philippe Pietrowski heard on the Tour de France's internal radio that two riders had fallen far behind. "I think we have customers," he said.

SCOREBOARD

BASEBALL

Friday's and Saturday's Major League Line Scores

Table with columns for team names and scores. Includes games like Yankees vs White Sox, Orioles vs Twins, etc.

Major League Standings

Table showing league standings for American League and National League, including teams like Yankees, Red Sox, Orioles, etc.

GOLF

British Open: Third Round

Table listing golfers and their scores in the third round of the British Open.

TENNIS

Men's Tournaments (US Open)

Table listing tennis players and their match results in the US Open.

TRANSITION

BASEBALL

BASEBALL — Signed Larry Parrish, designated hitter, to the Montreal Expos.

CYCLING

Tour de France

FOURTEENTH STAGE (162 kilometers)
1. Massimo Ghirotto, Italy, 4:20:34

SOCCER

FRENCH FIRST DIVISION

Table listing soccer teams and their match results in the French First Division.

AMERICAN FOOTBALL

HOUSTON — Released World B. Free

HOUSTON — Released World B. Free, offensive tackle, to the Houston Oilers.

BASEBALL

NEW JERSEY — Extended the contract

NEW JERSEY — Extended the contract of Bob MacCloskey, assistant general manager.

BASEBALL

ATLANTA — Signed Charles Dierks, catcher

ATLANTA — Signed Charles Dierks, catcher, to the Atlanta Braves.

BASEBALL

PHILADELPHIA — Traded Luis Arova

PHILADELPHIA — Traded Luis Arova, infielder, to the New York Yankees.

BASEBALL

PHILADELPHIA — Traded Luis Arova, infielder, to the New York Yankees.

U.S. Trials advertisement featuring a woman's face and promotional text for a swimming event.

BETTER STILL advertisement for a swimming pool, featuring a photo of a swimmer and text about a world record.

LANGUAGE

The Thrill of Coining a Phrase

By William Safire
WASHINGTON — The greatest thrill a man can experience, Winston Churchill was reported to have said, is to be shot at and missed. (If that quotation cannot be found in his works, I have taken a shot at the source and missed.)

For a writer, the big thrill is to coin a word or phrase that fills a linguistic void and becomes part of the history of the era. The widespread adoption of Churchill's phrase Iron Curtain must have been profoundly satisfying to him as a historian as well as a statesman; never mind that earlier uses of the current American slang such as "Adlai Stevenson's prophets of gloom and doom" and "Bernard Baruch, and Walter Lippmann then tried to steal it from him; Stewart Alsop's egghead, in collaboration with Charles Bartlett, hawks and doves; Joseph Kraft's Middle American, and Joseph Alsop's Southern strategy.

speech had crossed it out, I slipped it back into the reading copy.
Workfare, the word, came and went as welfare reform, the program (called later by rural liberals "Nixon's Good Deed"), was rejected by a Democratic Congress. But in the intervening years, with no push from me or anybody taking up its sponsorship, the rejected word puffed determinedly uphill like the Little Engine That Could.

In 1977, "Governor Michael S. Dukakis of Massachusetts predicted success," wrote The Associated Press. "For a workfare program he unveiled... aimed at putting welfare fathers on the public payroll." In 1980, under a headline reading "Making Workfare Work," The New York Times hailed a Connecticut plan for the tough workfare bill. The little engine word was scorned by the big dictionaries, but it kept puffing up the linguistic hill.

Today, with the passage of Senator Moynihan's long-overdue bill giving a work term to the new welfare, workfare, the word, is rolling merrily along. The unexpectedly sturdy new noun has even been used in a compound adjective in Britain: "Lord Young, the employment secretary," wrote The Financial Times, "last night issued a statement saying he had no plans to introduce a workfare-type program in the United Kingdom."

This ugly duckling of a neologism, derided at launch, neglected by word mavens — has passed the 2,000-citations mark, and it is just about every new dictionary's own.

When it was included in the final volume of the Supplement to the Oxford English Dictionary, I learned that the coiner was someone else. The July 1968 issue of Harper's Magazine had a piece about Charles Evers, a Mississippi congressman candidate, that included this line: "One of Evers' programs is what he calls workfare; he has said that everybody ought to work for what he gets."

That's all right; I may not have been the first to use the word, but I had a hand in its active launch and feel a stepfather's pride. There goes workfare, chugging down the hill, puffing "I-filled-a-void, I-filled-a-void," and as much a part of today's language as the ancient word it was bottomed on.

New York Times Service

Italian Space For American Postwar Art

International Herald Tribune
VARESE, Italy — Over some 30 years, Count Giuseppe Panza di Biumo, a Milanese real estate dealer, has scrupulously built one of the most respected collections of postwar American art. A fraction of the 700-piece collection is in Panza's weekend house, an 18th-century villa in Varese, an hour from Milan, and 80 works bought between 1956 and 1963 are now in the Museum of Contemporary Art in Los Angeles. Shows from Panza's collection have been mounted in Düsseldorf and Basel; 56 pieces can be seen until mid-December in 14 rooms of the Reina Sophia Museum in Madrid.

Two shows are scheduled for France in 1990 and when the important conversion of old factories into a museum in North Adams, Massachusetts, opens it will house Panza's entire collection of minimalist sculpture, including works by Carl Andre, Bruce Newman, Dan Flavin and Donald Judd.

Despite its international renown, Panza's collection has never been shown in an Italian museum. The town of Varese has agreed to take on his villa and all its contents after his death but there are still unresolved hassles about who is to pay for its maintenance. Panza's offers to give parts of his collection to a museum in Turin and Milan have been turned down. The reason, he says, is that Italian public institutions are not interested in contemporary art, particularly if it is not Italian.

"No, it doesn't make me cross," says Panza, a shy, slight man who comes to life when looking at his art. "We have to be patient, I'm just awaiting the right time." At 65, with five sons, he worries about loading his heirs with heavy taxes but at the same time Italian law forbids him from selling more than a quarter of his estate. The solution would be a gift or a long-term loan to an Italian institution, but as the newspaper La Repubblica puts it, the answer has been grazie, no.



Count Giuseppe Panza di Biumo seated amid some of his collection of postwar American art.

collect because he was short of money. Perhaps Panza's greatest originality as a collector has been his creation at Varese of settings for works by Bruce Nauman, Sol LeWitt, Robert Rauschenberg, Dan Flavin and James Turrell. Formerly carriage space in the Varese villa, which measure about 19 by 12 meters each (about 60 by 40 feet), Turrell has for several years been reshaping a crater in Arizona, a project that Panza has backed by buying blueprints of future works and of which he has said, "The Roden Crater project is one of the few things that must be made, to prove that the light in the human mind is not gone."

Panza has six Turrell rooms, formerly carriage space in the Varese villa, which measure about 19 by 12 meters each (about 60 by 40 feet). Turrell has for several years been reshaping a crater in Arizona, a project that Panza has backed by buying blueprints of future works and of which he has said, "The Roden Crater project is one of the few things that must be made, to prove that the light in the human mind is not gone."

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PERSONAL MESSAGES
THANK YOU SACRED HEART, May the Sacred Heart of Jesus be adored, glorified, loved & praised through-out the world, now & for ever. Sacred Heart of Jesus, pray for us. Saint Jude, help of the hopeless, pray for us. This is our St. Jude.

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October 1988

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